

California Air Resources Board

1001 I Street

CA 95814, Sacramento

California, USA

Att: Clerk of the Board, Ref: ogvatberth2019

05.12.2019

Comments on prospective at-berth regulation

Dear Boardmembers,

As a forward-thinking and environmentally aware operator of large fleet of ocean going vessels, Wallenius Wilhelmsen is diligently working to reduce its emissions as quickly as possible. True zero emissions is our goal because we believe it will be the surest path to ensuring our longterm competitiveness and leadership. To achieve our goal as soon as possible it is critical for all the right decisions and developments to occur in the realms of engineering, business and regulatory policy. In view of this, and given our significant business in Californian ports, we take a keen interest in CARB's regulatory review process concerning at-berth vessel requirements. We urge consideration of the following policy issues:

- 1) Any new regulatory requirement must be preceded by a comprehensive review that establishes valid and unequivocal justification for its introduction. The review must include a health and environmental impact assessment as well as a cost benefit analysis. Kindly note the passage on cost and viability of existing compliance options following this list.
- 2) The vehicle carrier (alias RoRo) segment competes directly with the general cargo and bulker segments for heavy machinery and breakbulk cargo. Therefore to maintain the competitive balance it is vital that any future compliance requirements that would be introduced for vehicle carries, should also apply to those segments.
- 3) Technology, such as in the field of batteries and hydrogen power systems, is developing at a rapid pace. Hence, the implementation of any future at-berth requirement should be preceded by a technology review that would defer the implementation if it was found that a new and superior technological solution was nearing readiness.
- 4) We find the lack of equality of shore power solutions objectionable. Such systems require an investment of 1mUSD per vessel for a benefit that cannot be enjoyed by any port community in the world outside of California. Furthermore, a capital outlay of that magnitude

Wallenius Wilhelmsen Logistics ASA

Office: : 300 Interpace Parkway Building A,

Suite A300, Parsippany, NJ 07054

Phone: +1 201 307 1300

will invariably thwart or delay the investment in at-berth solutions that could provide a health and environmental benefit wherever the vessel calls.

Comments on the cost and viability of existing compliance options

In addition to the 1mUSD per vessel capital cost to equip a vessel to receive shore-power, there are the direct operational costs of connection and electricity, as well as the indirect costs due to the delays and maintenance.

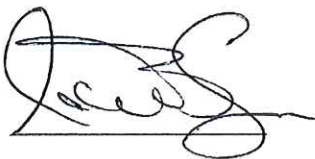
Given that approximately 90% of our fleet visit a CA port within a 2 year period, and that vessel deployment cannot be constrained based on a vessels ability to comply, an at-berth requirement would effectively be a fleet requirement. Allied to that, vessels in our fleet typically call CA ports only 2-4 times a year and for a short as 12hours at a time. The upshot is the total cost of compliance would be very great relative to the benefit and the operating time of the vessel in California.

The cost of equipping RoRo berths to provide shore power is particularly high both since there is no existing power infrastructure to avail of and because of the large amount of power required. It is also not a given that sufficient surplus clean and renewable electrical power would be available nearby.

Sock-on-a-stack solutions are not operationally viable for RoRo if quay-based due to obstruction of cargo operations. The barge-based alternative is also not viable due to safety concerns and the threat to effective port operations. Moreover, the net benefit of a barge solution is highly doubtful when the emissions related to repositioning the barge are considered.

Thank you for taking the time to consider the foregoing and please do not hesitate to contact the under signed if further information or discussion would be helpful.

Regards,



Alex Conjour

VP, Port & Cargo Operations

alex.conjour@2wglobal.com



Roger Strevens

VP, Global Sustainability

roger.strevens@walleniuswilhelmsen.com

[Type here]